



ILRI

Institutional Insurance Portfolio Policy

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ILRI Institutional Insurance Portfolio Policy

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Revision history

Version No.	Effective date	Approved by and date	Summary of changes	Next scheduled review
1.0	23 October 2018	ILRI BoT Date: 23 October 2018	NA	month/year

Related documents

Global framework:	NA
CGIAR framework/policy ILRI framework	Risk Management Framework of the CGIAR System ILRI Risk Management Framework
ILRI policy(ies):	Authorization Matrix Asset Management Policy Supply Management Policy
ILRI Procedures	NA
Other relevant documents	
Appendix	Annex I: ILRI insurance portfolio

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1: Executive summary

1.1 Context and purpose

Insurance is intended to limit the International Livestock Research Institute (ILRI)'s exposure to financial loss from an unexpected event(s) and should be viewed as part of ILRI's risk management framework. Insurance transfers a defined portion of financial risk from ILRI to insurers and is targeted at situations where the potential financial loss is more than is appropriately borne by ILRI through its self-insurance program.

ILRI has and will maintain a comprehensive program of insurance coverage to mitigate loss or costs arising from unexpected events.

ILRI's institutional insurance portfolio is divided into three broad categories:

- i. Asset policies
- ii. Liability policies
- iii. Staff policies

Asset policies

Indemnity or compensation is based on reinstatement at the correct values (usually market value).

Liability policies

These cover against legal liabilities that ILRI, officers and staff may incur in course of its operations.

Staff policies

Either offered as benefits to staff (e.g. compensation for permanent total disablement, temporary, total/partial disablement, maternity compensation) or as mandatory legal requirements such as Work Injury Benefits (compensation for work-related injuries and diseases contracted in the course of employment and connected purposes).

1.2 Scope

This policy is to assure that the portfolio of insurances adequately covers the different risks related to ILRI's operations and to which ILRI might be exposed globally. Where ILRI global offices are hosted under a CGIAR centre, the host centre's insurance policies will apply unless other arrangements are agreed upon.

1.3 Primary and other audiences

The ILRI portfolio of policies applies to all ILRI staff globally (unless agreed otherwise as per paragraph 1.2), ILRI Board members, Kapiti Plains Estate Limited staff (all together 'ILRI staff'), hosted staff under hosting agreements signed between ILRI and hosted entities and affiliated partners involved in the conduct of ILRI business.

1.4 Key changes since last version

Not applicable.

1.5 Regional and Country Offices

To the extent possible, regional and country office staff and assets will be covered by obtaining worldwide insurance coverage. If the hosting institution offers local coverage, the respective headquarter policy shall be adjusted accordingly. In case neither of these coverages is available to a Regional or Country Office, the highest risks will be mitigated through local policies.

Depending on hosted partner agreements, policy coverage will be extended to hosted entities.

2: The policy

2.1 Risk assessment and coverage

ILRI will ensure that risk assessments are performed to ensure that adequate insurance coverage is provided for ILRI staff, assets and activities.

Insurance covers will focus upon material loss in excess of that expected to be borne under ILRI's self-insurance program.

2.1.1 Limitation and exclusions of liability in policy covers

Insurance policies typically contain limitation and exclusion of liability clauses, with some seeking to exclude liability altogether or placing a limit on liability by capping the amount payable in damages on a breach; restricting the types of loss recoverable or the remedies available; or imposing a short time limit for claims.

ILRI will examine the scope for allowing limitations and exclusions in insurance policies and ensure clarity and transparency of wording in policies.

Corporate Services/Finance, P&OD and IP & Legal departments will collaborate when renewal of individual policies are required. Each department will assume responsibility for policies as per paragraph 2.3.

2.2 Responsibilities—staff

Responsibility for the identification, management and reporting of risks will align with Key Risk Responsibilities identified in the Institutional Risk Matrix.

Positions identified as having Key Risk Responsibilities in the Risk Matrix are responsible for providing information required as part of any risk assessment or insurance renewal process.

2.3 Responsibilities—Corporate Services/Finance, P&OD, IP & Legal

Corporate Services/Finance, P&OD and IP & Legal departments will handle all insurance matters on behalf of the institute. Specifically:

2.3.1 Corporate Services/Finance is responsible for the general insurance portfolio and will:

- Initiate or request through Procurement the sourcing of an underwriter and broker and manage the relationship with the broker. Both will be contracted for three years, renewable or terminable in accordance with the Supply Management Policy.
- In contracting of new providers carry out a review of the entire portfolio to ensure it meets ILRI's business needs and reflects the risk appetite of ILRI and will commence by mid-year (June) preceding the renewal year.
- Work with the broker and ensure provision of insurance advice to staff
- Coordinate insurance claims
- Corporate Services in collaboration with the broker, promote awareness of and compliance with the corporate insurance policy portfolio.
- Obtain the insurance manual from the broker, develop appropriate procedures and insurance records for ensuring reporting, compliance and claim requirements
- Appoint contact persons who will receive claims, requests or queries and maintain a central information repository on all insurance matters.

The initiator of any proposed purchase, venture or other activity that may impact on insurance requirements should bring these to the attention of Corporate Services/Finance departments.

Individual staff are responsible for bringing to the attention of Corporate Services/Finance any risks or changes to existing risks that they become aware of, that may impact on insurance.

Individual staff are responsible for reporting to Corporate Services/Finance, without delay, any event or circumstance that may lead to an insurance claim.

2.3.2 The IP & Legal Unit is responsible for the institutional liability policies that protect ILRI and its image including the Director's & Officers and Professional Indemnity covers. The IP & Legal Unit will:

- Ensure the renewal of the covers every three years following the identification of new providers by the Procurement Unit.
- By mid-year (June) preceding the renewal year, review the legal portfolio to ensure it meets ILRI's business needs and reflects the risk appetite of ILRI.
- Develop and maintain appropriate insurance records.
- Oversee the legal aspects of the insurance portfolio and all individual insurance policies, ensure clarity and transparency of scope, limitations and exclusions in insurance policy covers.

2.3.3 People and Organizational Development (P&OD) is responsible for policies related to staff life insurance, accidental death and dismemberment, long-term disability, and medical insurance covers and will:

- Coordinate through the procurement of an underwriter and broker and manage the relationship with the broker. Both providers will be contracted for 3 years
- Coordinate with AIARC (Association of International Agricultural Research Centres) insurances provided to internationally recruited staff
- In contracting new providers carry out a review of the entire portfolio under the responsibility of P&OD to ensure it meets ILRI's business needs and reflects the risk appetite of ILRI and will commence by mid-year (June) preceding the renewal year.

- Coordinate the procurement of an underwriter and broker and manage the relationship with the broker.
- Provide insurance advice to staff
- Coordinate insurance claims
- Promote awareness of and compliance with the P&OD insurance policy.
- Develop and maintain appropriate procedures and insurance records to ensure reporting, compliance and claim requirements.
- Appoint contact persons who will receive claims, requests or queries and maintain a central information repository on all insurance matters.

2.3.4 The Institute Management Committee (IMC) will:

- Approve the insurance portfolio every three years prior to the tender process.
- Oversee the proper implementation of this policy

2.3.5 The ILRI Board of Trustees will:

- Provide oversight and guidance to ensure that appropriate insurance policies are in place and such policies cover operational risks in accordance with the institutional risk appetite.

2.4 Insurance broker

ILRI will engage the services of insurance brokers to provide advice on ILRI's insurance needs, assist in the renewal process, issuance of insurance policies and the management of claims.

The insurance broker will be responsible for;

- Advising ILRI on all insurance matters
- Working with the ILRI Procurement Unit and other departments to procure necessary insurance covers that guarantee value for money for ILRI
- Provide the required liaison and timely information exchange between ILRI and the appointed underwriters

The insurance broker will be tendered every three years as prescribed in the ILRI Supply Management Policy for outsourced service providers.

2.5 Procurement of underwriters

ILRI will procure underwriters through a competitive procurement process as provided in the Supply Management policy and the CGIAR Financial Guidelines on procurement (FG6). A key requirement for underwriters includes the ability to provide covers that include all ILRI's global operations.

3: Appendix

3.1 Annex I: ILRI insurance portfolio

Corporate Services/Finance

1. Industrial all risks (Kenya)
2. Industrial all risks (Offshore)
3. Machinery breakdown (Nairobi)
4. Machinery breakdown (Ethiopia)
5. Electronic equipment insurance (Nairobi)
6. Electronic equipment insurance (Ethiopia)
7. All risks (worldwide)
8. Fidelity guarantee (worldwide)
9. Combined public liability (worldwide)
10. Domestic package
11. Motor commercial comprehensive
12. Private car comprehensive
13. Travel insurance
14. Property terrorism sabotage (ILRI complex)

IP & Legal Unit

1. Directors and officers liability cover
2. Professional indemnity cover (*awaiting decision*)

P&OD administered covers

1. Life insurance cover
2. Accidental death and dismemberment benefits
3. Long-term disability benefits
4. Medical insurance: Coverage for staff and authorized dependents—WIBA, GPA, Group Life
5. Pension scheme



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